Faster reports
Additional reporting obligations
Less error-prone
Reliable consolidation

Flow Traders is listed on the stock AMX exchange in Amsterdam and specializes in trading index-tracking funds. It is a young, fast-growing company, based in Amsterdam and with offices in Singapore, New York and Cluj. After its placing on the stock exchange in 2015, the company needed to comply with additional reporting obligations. The switch to OneStream facilitated the process and stakeholders receive reports faster than before.
RAPID AVAILABILITY OF REPORTS AT FLOW TRADERS

“Flow Traders was founded in 2004 and has been growing fast. In July 2015 we went public, which meant that we had to deal with (financial) stakeholders more frequently than before,” says Joost Dankers, Global Co-Head of Tax & Finance, on the rationale behind the streamlining of the consolidation process and reporting. “Initially, our stakeholders had day-to-day involvement, whereas now, we have to deal more frequently with external stakeholders. This, together with the fact that we have more reporting obligations as a consequence of the IPO, lead to our wish for a consolidation system.”

“After our placing on the stock exchange, we have to deal more frequently with external stakeholders.”

Flow Traders focusses exclusively on exchange-traded funds (ETF), also called index funds. Close cooperation between Risk, Technology and Trading is paramount in this regard. Joost: “Our focus is on pricing. The traders only trade when they truly understand the value of the products; they first calculate the underlying value and then put them on the market.”

NO MORE EXCEL

“Our objective was: Get rid of Excel,” Joost continues. “Our Finance team has grown to almost twice the original size. When several people are simultaneously working on complicated consolidated Excel files, errors are quickly made. Our objective was to switch to ‘one source of the truth’ where everyone can extract information from.”

Reliability of reporting is paramount. As an accountant, Joost has often seen mistakes in Excel. “An erroneous formula or number can go unnoticed and affect other calculations. I remember that, during an audit, I came across a formula in an external report that was accidently miscopied. This formula gave a check that resulted in a ‘true’ or ‘false’. Because of the disappearance of the formula, the result was always positive. It took the organization three months to discover that where ‘true’ was indicated, it should have been ‘false’. These are mistakes you want to avoid.”

“When there has been an error in a report for three months, it takes a long time to prove the reliability of your numbers” says Andreas Nederhoed, who, in his capacity as a Finext consultant, was closely involved in the implementation of the new consolidation system.

In addition to the sensitivity of Excel in terms of errors and omissions, there are several other reasons to perform the consolidation in a Performance Management solution, Joost feels. “Consolidating with a Performance Management system is reliable and less time consuming. We use this time to run analyses and to provide more support to business operations. OneStream provides a platform with a completely transparent and accessible database; it generates standard reports, dashboard and ad hoc analyses that meet the information needs of our organization. This allows us to spend less time on administrative tasks, and dedicate more time to controlling.”

The move to a Performance Management tool is part of a bigger movement within Finance to increase professionalism. “We are automating the administrative and financial processes, and the consolidation process is part of this. This is in line with our objective to realize further growth.”

SPEED AND PEACE OF MIND

After a careful selection process, Flow Traders chose OneStream out of 5 solutions from a shortlist. Joost assesses the chosen Performance Management solution positively: “During the selection process, you want to move from the
After its placing on the stock exchange in 2015, Flow Traders needed to comply with additional reporting obligations. Also, the fast growing organization wanted to optimize and automate the consolidation process. Implementing OneStream made the consolidation process less error-prone and more reliable. The FX-connector was even custom developed for Flow Traders by OneStream, enabling the system to automatically calculate foreign currency corrections.

The consolidation solution provides speed and peace of mind, according to Joost. “We can generate the actual reports more rapidly. In addition, there is less checking to do compared to Excel. In Excel, we felt we needed to check things over and over again, whereas now, we rely on the system. I source things in OneStream, so I know that everything is set up correctly. This provides peace of mind.”

QUICK IMPLEMENTATION
The implementation of OneStream had a tight calendar to work to. “We wanted a swift implementation,” says Joost. “Particularly because I know that such projects can take a considerable time to implement. In addition, there was company-wide support to make this a priority.”

In Short
After its placing on the stock exchange in 2015, Flow Traders needed to comply with additional reporting obligations. Also, the fast growing organization wanted to optimize and automate the consolidation process.

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The Performance Management platform provides full transparency. The standard reports, dashboards and ad hoc analyses allow Flow Traders to unlock her information, giving the organization peace of mind.
After the swift roll-out, it took longer than expected to get started with the new consolidation solution. Joost: “People had cold feet about it. This was partly due to complacency, but also to time pressure. If you have the choice between a known route or a new approach that takes more time in the beginning, people prefer the known route. Eventually I made clear that we didn’t want to see anything in the old format anymore.”

“WE WANT TO AUTOMATE AS MUCH AS POSSIBLE TO ENSURE THAT ALL DATA IS CORRECT. IN THE END, IT ALL COMES DOWN TO THE RELIABILITY OF THE DATA.”

WISH LIST
Joost is positive about the choice for OneStream. “I am still very happy with our choice for OneStream. I am very pleased about it, and so is my team. It contains several convenient tools, that help me use it a lot. Users make the adjustments and changes in the system themselves. For instance, they map the numbers and create accounts themselves.”

There are also other tasks he would like to perform using OneStream. “For instance, an audit pack, a reporting pack that we can distribute worldwide and at any time to our auditors, and a more frequent budgeting process.” The linking of non-financial KPI’s with the Flow Business Intelligence Database is also on the wish list. “For instance, the volumes traded, an estimate of ETF-market or fte’s. These data are not part of the financial package, but we do report them.” Andreas: “Integration is easy with OneStream; I think it should only take us a day to make these links.” “We want to automate as much as possible, to ensure that all data is correct. In the end, it all comes down to the reliability of the data,” Joost concludes.

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MORE INFORMATION?
Would you like to know more about optimizing the consolidation and reporting processes in your organization? Please contact Andres Nederhoed at andreas.nederhoed@finext.nl or 070-3003000.

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We believe that simplicity really works. Simplicity brings speed, improves business and creates agile organizations. With consulting, implementation and support services Finext Performance Management helps organizations to effectively use software solutions for consolidation, disclosure management, planning, cost management and dashboarding.

By creating trust, building connections and thinking out of the box we help finance professionals to return to the essence of their field. Our approach makes effective steering, with reliable figures in clear dashboards and reports, achievable for every organization.